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HOLIDAY GIFT CERTIFICATES MAY CARRY HIDDEN FEES

BISMARCK – Gift certificates and gift cards can be a convenient choice for the last-minute Christmas shopper, but that convenience may have a price, cautioned Attorney General Wayne Stenehjem.

“Many people don’t realize that some gift certificates and cards decrease in value over time, or may even expire,” said Stenehjem. “To make sure you don’t end up giving a worthless gift, you should ask about the gift card’s restrictions before buying it.”

There are a number of potential problems holiday shoppers might incur with gift cards and certificates. Some issuers, for example, deduct a monthly fee from a gift card if it is not used within a certain period of time, reducing the value of the gift. Some cards or certificates expire after a certain period of time.

“The recipients may not realize there is a time limit or deduction in the value until it is too late,” Stenehjem said. “In the end, they may find the card is worth very little or nothing.”

Stenehjem offers the following tips when buying a gift card or gift certificate:

- Ask if there are time restrictions on the use of the card.
- Determine if there are any fees that apply to the gift card, including those that apply after the sale and reduce the value of the card.
- Find out which locations will accept the gift card.
- Determine where to report any problems with the gift certificate.
- Ask if there is a toll-free number or web site that will provide this information.
- If you purchase a gift card as a gift, pass this information on to the recipient to make sure they benefit from the full value of your gift.

If Sen. Ray Holmberg (R-Grand Forks) has his way, shoppers may not have to worry about unexpected fees next year. Holmberg is working with the Attorney General’s office on legislation to prohibit the practice of charging fees on unused gift cards or certificates. Several states have already enacted restrictions on gift card fees.

Consumers with questions regarding gift cards should contact the company issuing the card, or the Attorney General’s Consumer Protection Division at 800-472-2600.